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VIA ECF

Honorable A. Kathleen Tomlinson
United States District Court
Eastern District of New York
100 Federal Plaza
P.O. Box 9014
Central Islip, NY 11722-9014

Re: *FragranceNet.com, Inc. v. FragranceX.com, Inc.*, CV-06-2225

Dear Judge Tomlinson:

We represent plaintiff FragranceNet.com, Inc. and submit this letter in opposition to defendant's motion to bifurcate discovery into separate phases -- liability and damages.

Defendant's argument may well be made with respect to any civil action in any court. There is nothing unique about the action before this Court. Distilled to its basics, plaintiff argues that its lawyer believes he will win, that financial information may be sensitive, that photographs consist of preexisting material and that plaintiff has not shown great interest in this matter to date. (Defendant seems to be making its argument while pointing out its own need to take discovery of plaintiff's financial records.)

We are confident that this Court will not take the highly unusual step of ordering bifurcation on counsel's personal view of which party is likely to prevail, that defendant's financial information would be "more secure" if not made the subject of discovery despite a protective order (it would be even more secure if it did not infringe) and that original photographs incorporate "preexisting" material as their subjects (can the Court think of a photograph that is not?). Plaintiff is keenly interested in this action and merely followed the Federal Rules by waiting for the initial conference and initial disclosures to occur before proceeding.

It is noted that defendant mainly relies on secondary authority from other circuits. Nonetheless, it is clear that it is the rare exception for a court to bifurcate discovery into damages and liability phases. *L-3 Communications Corp. v. OSI Sys., Inc.*, 418 F. Supp. 2d 380, 382 (S.D.N.Y. 2005) (denying motion to bifurcate, noting that "bifurcation is the exception; not the rule."). In the absence of rare and compelling circumstances, courts routinely deny motions for bifurcation. *See, e.g., Cranston Print Works Co. v. Mason Prods.*, No. 96 CIV. 9382(DLC), 1998 WL 799171, at *3 (S.D.N.Y. Nov. 13, 1998) (denying defendant's motion to bifurcate liability and damages into separate trials and holding that a copyright infringement claim and damages issues "are quite simple and best resolved in a single proceeding."); *Intersong-USA, Inc. v. CBS Inc.*, No. 84 Civ. 998 (JFK), 1985 WL 441, at *2 (S.D.N.Y. March 21, 1985) (denying defendants' motion to bifurcate the issues of liability and damages in a copyright infringement action where the liability and damages issues were "neither so distinct nor so complex as to warrant two trials.").

Defendant's request for bifurcation is based on its lawyer's prediction regarding who will win. Courts do not require parties and the court itself to go through the time and expense of two actions based on so little. For example, in *SHL Imaging, Inc. v. Artisan House, Inc.*, 117 F.Supp.2d 301 (S.D.N.Y. 2000), the court addressed and rejected defendant's theory that a photograph of a product contains no protectible creative authorship. The plaintiff in *SHL*, a photographer, sued the manufacturer of picture and mirror frames for copyright infringement, claiming that the photographs plaintiff took of the defendant's products were used by the defendant beyond their authorized purposes. The defendant moved for summary judgment, arguing that the photographs were mere copies of defendant's own copyrighted frames and, therefore, were not entitled to copyright protection. *Id.* at 305. The court flatly rejected that argument, denied the defendant's motion for summary judgment and granted, *sua sponte*, summary judgment in favor of plaintiff. *Id.* at 303. The court found that the photographs were not derivative works of the underlying copyrighted material (there, frames) and that they satisfied the constitutional requirement of originality. It then summarized the long-standing and consistent body of case law holding that photographs generally satisfy the minimal

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originality standard and are entitled to copyright protection. *Id.* at 306-311.[1] Moreover, the principle of *jus tertii* precludes defendant from raising as a defense in this matter the validity of plaintiff's copyright based on the rights of third parties. *See Schnapper v. Foley*, 667 F.2d 102, 113 (D.C. Cir. 1981), *cert. denied*, 455 U.S. 948 (1982) (jus tertii standing denied in the context of a copyright case; party may not raise [constitutional] claims of others).

Defendant has offered no valid basis upon which bifurcation should be granted.

Respectfully submitted,

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of PAUL, HASTINGS, JANOFSKY & WALKER LLP
RLS/lr
cc: David Rabinowitz, Esq. (Via Fax: 212.554.7700)
Rebecca Myers, Esq.
Dennis Apfel, Esq.

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1 The two cases relied upon by defendant are inapposite. In *Oriental Art Printing, Inc. v. Goldstar Printing Corp.*, the court specifically found that "the most common Chinese dishes used in take-out" menus "pose the rare case where the photographs … lack the creative or expressive elements that would render them original works subject to protection under the Copyright Act." 175 F. Supp. 2d 542, 546 (S.D.N.Y. 2001), aff'd 34 Fed. Appx. 401 (2d Cir. 1992). In *Bridgeman Art Library, Ltd. v. Corel Corp.*, the court rejected copyright protection for plaintiff's "exact reproduction" of works in the public domain. 36 F. Supp. 2d 191, 196 (S.D.N.Y. 1999). Unlike *Bridgeman and Oriental Art,* the subject case involves photographing a three-dimensional object where the lighting, posing, exposure and shadowing were left exclusively to plaintiff, which generated an original image. As noted in *Bridgeman* "[t]here is little doubt that many photographs, probably the overwhelming majority, reflect at least the modest amount of originality required for copyright protection. 'Elements of originality . . . may include the posing the subjects, lighting, angle, selection of film and camera, evoking the desired expression, and almost any other variant involved.' (*citing Rogers v. Koons*, 960 F.2d 301, 307 (2d Cir.), *cert. denied*, 506 U.S. 934 (1992)).